

**CITY OF DUBOIS/SANDY TOWNSHIP JOINT BOARD MEETING MINUTES**  
**Wednesday, July 17, 2024 @ 6 p.m.**

City Council Chambers, City Building, 16 West Scribner Avenue, DuBois, Pennsylvania on Wednesday, July 17, 2024, at 6 p.m.; DuBois City Council and Sandy Township Supervisors convened at their Joint Board Meeting. Board Members present were: Barry Abbott (by phone), Jim Aughenbaugh (by phone), Bill Beers, Shane Dietz, Elliot Gelfand, Jennifer Jackson, Sam Mollica, Pat Reasinger and Mark Sullivan. Also present were: DuBois/Sandy Township City Manager, Shawn Arbaugh; Public Works Superintendent, Scott Farrell; DuBois Codes Officer, Zac Lawhead; DuBois Interim Police Chief, Shawn McCleary; DuBois Assistant Police Chief, Dustin Roy; Sandy Township Chief of Police, Kris Kruzelak; and City Secretary, Korbi Slocum.

Absent: Supervisor Richard Whitaker

**Pledge of Allegiance**

The meeting was called to order at 6 p.m. and the Pledge of Allegiance was led by Co-Chairman Mark Sullivan.

**Roll Call**

All board members except Richard Whitaker were present; both Abbott and Aughenbaugh participated by telephone.

The motion was made by Gelfand and seconded by Dietz to excuse Richard Whitaker from the meeting. Roll call was as follows: Abbott, yea; Aughenbaugh, yea; Beers, yea; Dietz, yea; Gelfand, yea; Jackson, yea; Mollica, yea; Reasinger, yea; Sullivan, yea. Motion passed 9-0.

**Executive Session**

Sullivan announced an Executive Session took place prior to the meeting to discuss personnel.

**Public Comments on Agenda Items Only**

There were no comments.

**Correspondence**

None to present.

**Old Business**

Managers' Progress Report

- Architect Update
- Special Counsel Update
- Tax Structure, Budget, and Utility User Fee RFP
- Fire Study Update

We have a meeting next week to further review the construction plans and documents.

Special counsel is working on numerous things. They did submit the joint complaint with the police union to the judge seeking a special provision for civil service where Sandy Township Police Officers would fold into the civil service system of the City of DuBois. We did get some recommendations on pensions. Later this evening we will be seeking permission to move forward with some actuarial studies so we can understand what those impacts will be on those pension options.

## **CITY OF DUBOIS/SANDY TOWNSHIP JOINT BOARD MEETING MINUTES (continued)**

On tax structure, budget and user utility fee, we put out an RFP as directed by the Joint Board. That is available on both the Sandy Township and DuBois websites, and we sent it out to about seven consulting firms to get some information on. Those are due back on August 1. After we receive those back, depending on the number, we'll set up an interview selection committee. We'll interview the folks and make a recommendation for our meeting in August.

The Fire Study kicked off. We met with them virtually and talked about a couple of logistical items and some information that is still needed. We hope they are going to be at our meeting on August 21 to give a brief presentation. They plan on coming up earlier in the day to meet with some of the key figures – the fire chiefs and some station personnel – to start learning about DuBois and Sandy Township fire departments. Abbott asked if all the departments in the City and Township have turned in all the requested documents. Arbaugh replied, “We have not received it all yet. I did personally speak to the folks with the missing information. We do expect it by end of day Friday/very early next week, and that is acceptable to the Fire Study folks.”

### **Approval of the Minutes from June 19, 2024**

The motion was made by Beers and seconded by Mollica to accept the minutes from June 19, 2024, as presented. Roll call was as follows: Abbott, yea; Aughenbaugh, yea; Beers, yea; Dietz, yea; Gelfand, yea; Jackson, yea; Mollica, yea; Reasinger, yea; Sullivan, yea. Motion passed 9-0.

### **New Business**

- Approval of Invoices
  - McNees, Wallace & Nurick, LLC - \$3,861.00
  - KTH Architects - \$24,480.00
- DuBois City Refinancing Bonds – presentation and approval
- Authorization to seek actuarial study for police and non-uniform pension options
- DuBois City Fire Department Request – Ladder Truck
- Authorization to hire for vacant positions
  - Sandy Township Engineering Technician
  - Sandy Township Police Officer (replacement)
  - DuBois City Assistant Manager/Economic Development Coordinator

The motion was made by Jackson and seconded by Beers to pay the invoice for McNees, Wallace & Nurick, LLC in the amount of \$3,861.00. Roll call was as follows: Abbott, yea; Aughenbaugh, yea; Beers, yea; Dietz, yea; Gelfand, yea; Jackson, yea; Mollica, yea; Reasinger, yea; Sullivan, yea. Motion passed 9-0.

The motion was made by Jackson and seconded by Mollica to pay the invoice for KTH Architects in the amount of \$24,480.00. Roll call was as follows: Abbott, yea; Aughenbaugh, yea; Beers, yea; Dietz, yea; Gelfand, yea; Jackson, yea; Mollica, yea; Reasinger, yea; Sullivan, yea. Motion passed 9-0.

Arbaugh introduced Tim Frenz from Janney, Montgomery, Scott LLC from their Pittsburgh Office who gave a presentation on the plan for refinancing three City of DuBois loans. Following the presentation, we will seek approval of the Joint Board to approve a motion to continue the financing.

Frenz, who works on the capital market side of the business, distributed an overview of the plan to the Joint Board members. “We have the opportunity to refinance some outstanding loans and to provide advance funding for parts of the capital funding projects which will eventually be reimbursed by RACP



## CITY OF DUBOIS/SANDY TOWNSHIP JOINT BOARD MEETING MINUTES (continued)

### New Business (continued)

grant money from the Commonwealth. We need to spend the money to get the money. We need to have the money to spend the money, so we're going to help you get the money." Frenz reviewed the financing team and explained what role each member will play in the process. Arbaugh has been working closely with Associate Kathy Hanna. The Underwriting Team, out of Philadelphia, will determine what interest rates should be placed upon the bonds. Credit and Investor Strategy has been instrumental and is important because of the unique situation with the merger to figure out how best to put this into the market and how to present the process best to the rating agencies. They work in conjunction with the local office who will make sure local residents, if interested, will have the opportunity and foreknowledge to purchase bonds. This office manages almost \$1 billion in assets, of which almost \$50 million are in municipal bonds which is what we will be doing. Anthony Dittka is your bond counsel and will be the liaison between you and the Commonwealth.

There are two pieces to this financing – refinancing existing loans and fronting money for the construction that will be reimbursed by the RACP grant. Doing this together will save approximately \$30,000-\$40,000 dollars. The larger investment also encourages more interest from potential investors. In looking at the loans, three of them (2012, 2013 and 2015 with S&T Bank) make sense to refinance right now because of the high interest rates. Assuming the interest rates remain the same over the life of those loans, Those loans cost approximately \$1.2 million per year. If we refinance those, you can save a significant amount of money. We're talking \$1.8 million in savings. Is it efficient to refinance right now? The answer is absolutely 'yes'. There are no pre-payment penalties to refinance these loans. For the capital funds project, we want to fund the amount we know the RACP funds will reimburse, up to \$2.5 million, as a short-term note. Legally, the obligation is the City's. The City will only make interest payments through 2027 or whenever the RACP money comes through. The first reading of the Ordinance is scheduled for July 22, 2024. A question-and-answer period followed the presentation.

Reasinger read the following: "The City of DuBois has determined that it is in its best financial interest to undertake a project including (a) refunding its currently outstanding general obligation notes issued in 2012, 2013 and 2015, in order to achieve debt service savings, and (b) acquiring and installing (i) additions, renovations and improvements to the City Office Building, to accommodate the consolidation of the City of DuBois and Sandy Township and (ii) a new roof and exterior cosmetic work on the Sandy Township building for the purposes of long-term storage and desires to issue general obligation bonds, maturing beyond the Consolidation Date, to fund said project. I move that, pursuant to Section 18(a) of the First Amended Consolidation Agreement, the Joint Board approve the issuance of general obligation bonds by the City and the taking of the actions required to effectuate the project." The motion was seconded by Gelfand. Roll call was as follows: Abbott, yea; Aughenbaugh, yea; Beers, yea; Dietz, yea; Gelfand, yea; Jackson, yea; Mollica, yea; Reasinger, yea Sullivan, yea. Motion passed 9-0.

Special counsel McNees Wallace provided us with some different options for both the police and non-uniform pension plans. My recommendation is that we seek actuarial studies through McNees Wallace as the contractor and they can subcontract with the actuarial folks to undertake studies to determine the cost of the various options for combining the pension plans for both the police and non-uniform. The motion was made by Beers and seconded by Mollica to do the actuarial studies for the police and non-uniform pension plans. Roll call was as follows: Abbott, yea; Aughenbaugh, yea; Beers, yea; Dietz, yea; Gelfand, yea; Jackson, yea; Mollica, yea; Reasinger, yea Sullivan, yea. Motion passed 9-0.



## CITY OF DUBOIS/SANDY TOWNSHIP JOINT BOARD MEETING MINUTES (continued)

### New Business (continued)

Fire Chief Federici reports the current City of DuBois ladder truck is reaching end of life. It is a 25-year-old piece of equipment. The Fire Department is requesting permission to begin the process to spec out a new 105-foot ladder truck because the anticipated build time is 4-5 years. The request is being brought to the Joint Board as a courtesy. After much discussion, the motion was made by Abbott and seconded by Dietz to allow the City of DuBois to spec out a new ladder truck. Roll call was as follows: Abbott, yea; Aughenbaugh, yea; Beers, nay; Dietz, yea; Gelfand, yea; Jackson, yea; Mollica, nay; Reasinger, yea Sullivan, yea. Motion passed 7-2. Sullivan encouraged the Volunteers to keep the DuBois Fire Department and the Consolidation Fire Sub-Committee informed.

Sandy Township had advertised for a Planning, Zoning, Code Enforcement Officer. The candidates were not well-suited, so we decided to re-tool that position to make it more of an engineering position and discussed with the current Code Officer for the City, Zac Lawhead, to help out Sandy Township with code enforcement in the township. We think this will be a good position to help with those planning and zoning matters, but additionally for inspection services and land developments and as the engineer would need and will really work well with consolidation. Aughenbaugh inquired about the educational requirements for this position. Arbaugh indicated a minimum of an Associate Degree in Engineering is required. Aughenbaugh asked how this position will work into the consolidation process. This person would handle more of the land development, planning and zoning component and Zac would take on more of the code enforcement. Beers clarified and Arbaugh confirmed that this is not adding a new position, rather re-naming an existing position. The motion was made by Gelfand and seconded by Jackson to authorize advertising for an Engineering Technician. Roll call was as follows: Abbott, yea; Aughenbaugh, yea; Beers, yea; Dietz, yea; Gelfand, yea; Jackson, yea; Mollica, yea; Sullivan, yea; Reasinger, yea. Motion passed 9-0.

The Sandy Township Police Officer position is to replace an officer who no longer works for the township. Aughenbaugh questioned how filling this vacancy affects consolidation. Arbaugh said it does fit into the organizational structure for consolidation. Sandy Township Police Chief Kruzelak agreed with Arbaugh and said it provides enough service for both municipalities. The position really needs to be filled because they are one officer short on two shifts. Arbaugh added that there are several officers nearing retirement; if the numbers are too high at consolidation, we could look at attrition to reduce them. The motion was made by Beers and seconded by Jackson to advertise for a Sandy Township Police Officer. Roll call was as follows: Abbott, yea; Aughenbaugh, yea; Beers, yea; Dietz, yea; Gelfand, yea; Jackson, yea; Mollica, yea; Sullivan, yea; Reasinger, yea. Motion passed 9-0.

City Council approved putting out the position of DuBois City Assistant Manager/Economic Development Coordinator, so we are seeking Joint Board approval. City Council feels strongly that economic development is needed. Also, with the loss of Chris Nasuti and the previous City Manager it's been hard to do both municipalities and consolidation, so the role would include Assistant Manager to help facilitate that. Beers asked where the money for this position would come from because we moved to having one City Manager and one Engineer over both municipalities for cost-saving reasons. Arbaugh said the Assistant Manager was envisioned as part of consolidation. It is in the Consolidation Agreement. As far as the DuBois City budget, there has been some cost savings because they are not paying for a Manager, Police Chief, an Assistant Treasurer, and a Public Works Assistant position is going to be going away, so financially there have been a number of savings and cuts. Beers voiced his concerns with all the uncertainty moving forward. Jackson feels we need someone in this position for the City to remain viable and attract new businesses. Aughenbaugh believes these should be two separate positions. "I don't feel like I've received enough information on that to make an informed decision to move forward with this."



## CITY OF DUBOIS/SANDY TOWNSHIP JOINT BOARD MEETING MINUTES (continued)

### New Business (continued)

Members of the Joint Board had an in-depth discussion about the Redevelopment Authority and economic development. Arbaugh explained, "The Redevelopment Authority is not going away. They still own and lease properties, they can still hire an Executive Director, they can still apply for grants, they can still do all those things. The only difference is, before the City was paying the salary of the Executive Director." There are specific things the Redevelopment Authority needs to do that the City cannot. Jackson talked about 'true economic development'. "We want to bring good paying jobs to the City, people that can live and raise their children here. It is more than blighted properties." Reasinger added, "With the merger, Sandy Township has a lot of good land that can be developed." The thought behind making it a combined position is to begin slow. If we see the need to make the Economic Development Coordinator a full-time position, that can be done later. The motion was made by Jackson and seconded by Beers to advertise for a DuBois City Assistant Manager/Economic Development Coordinator. Roll call was as follows: Abbott, yea; Aughenbaugh, nay; Beers, yea; Dietz, nay; Gelfand, yea; Jackson, yea; Mollica, yea; Sullivan, yea; Reasinger, yea. Motion passed 7-2.

### Joint Board Member Comments

#### Bill Beers

I liked the discussions we had tonight. That's what we need moving forward – to keep it out in the open, communication.

#### Sam Mollica

I am happy that we're moving forward on the Assistant Manager/Economic Development Coordinator position. As far as my 'no' vote on the fire specs, I was a little uncomfortable with the motion. I wanted to add something to that motion that we couldn't. I'm fine with the fire truck studies.

#### Jennifer Jackson

Every fireman I have talked to says they don't get along with this one or that, but when they go to a fire, they all work together. So, I know in the end this is all going to work out and it's going to be just fine. I'm glad to see economic development is coming to DuBois. I have grandkids here, we all have grandkids here, and I want them to stay here. There's a lot of good people in this community.

#### Shawn Arbaugh

It's been really great working with everybody from the City and from the Township. Everybody's been working together very well – even the fire companies. There are a couple of things they're working on behind the scenes that are going very well. I think everything's working together and I appreciate being in this position to help coordinate and facilitate this consolidation. Thanks to DCED and Terri Cunkle for coming out today. We really appreciate your presence here and your help with grant funding and walking us through the process. You've been a great help, Terri. Thank you so much.

#### Pat Reasinger

I like the fact that a lot of tough decisions are made, but everybody speaks their mind, everybody listens to the person speaking their mind and we vote the way we go and its majority wins. That's the way, that's how it's supposed to work. I am very happy. When you get different opinions on subjects, you make better decisions. Somebody may change my way to a certain way. I am very happy with the way things are going.

#### Barry Abbott

I want to reiterate what Pat just said. The people in the audience, the people watching just witnessed good government at work. From Bill Beers to Jennifer Jackson and everyone in between [referring to the two



## **CITY OF DUBOIS/SANDY TOWNSHIP JOINT BOARD MEETING MINUTES (continued)**

Barry Abbott (continued)

members seated at the ends of the Joint Board table], everybody made an opinion, we voted, and we moved forward. That's what's going to happen. The difficult thing that we have ahead of us, we heard a lot of financial information tonight on refinancing in the way we're going to finance our new City. It is the ten of us that need to make good fiduciary decisions for the betterment of our new City and our residents. We need a lot of information, and we need to make good sound financial decisions.

Jim Aughenbaugh

A lot of great conversation, I thought that was good. A lot of information shared by some questions being asked. I am still a little uncertain about the City Assistant Manager/Economic Development Coordinator. I want both, but I'm not so sure it shouldn't have been separate positions or if you could even hire a person that fits that mold for both. I would love to see the resumes you're getting in. I'm really strong on the economic development. I know you want to get things started, but I was looking long term. I guess we will see where that takes us.

Mark Sullivan

I can't add anything that hasn't already been said. [Sullivan then asked Terri Cunkle from DCED if she had any comments.]

Terri Cunkle

Thank you for the kind words, Shawn. I'm just going to reiterate what everybody said here. I've been involved in this from day one. This meeting warmed my heart, it really did. It's positive. I tell Shawn every time I talk with him that I am very, very happy and pleased with how you guys have come together and moved forward. So, kudos. It's been great.

Sullivan noted that both co-chairmen of the Fire Subcommittee are present and asked if they have any comments. DuBois Fire Chief Mike Federici reported, "Everything is going good." Sandy Township Fire Chief Jason Runyon said, "I don't have anything out of the Fire Subcommittee side, but as a Township Fire Chief, the box alarms that we changed inside Sandy Township so that way we could have the closest fire companies coming to most of the calls made some sense. I didn't do it to force anybody's hand to change the box alarms. I didn't do it because we needed the City, as some of the rumors I've heard is we did it because we need the City's help. That's not the reason I did that. John and I sat down, went through box alarms and we really thought that driving by fire stations like we've done over the past umpteen years is not the right thing for our community. So, that's the reason we changed our box alarms. I don't expect anything else out of that. They're done and working great. Jen, as you said, you wanted to see us working together. The City Fire Department and Township have been on several calls now and everything is running pretty good. I just want to thank them for being part of it."

### **Open Meeting to the Floor**

Dave Lombardo – Treasure Lake

Lombardo had questions about the fire department and funding. Sullivan explained, "At the Township we have a fire tax. The Township collects that tax and it's set aside for the fire department. It's distributed evenly between the four Township fire companies. Most of them do their own fundraisers as well." Beers added that tax pays for everything, not just firetrucks. Leo Brooks reported for DuBois. "The last engine we bought last year, we got roughly about half through grants; the other half the fire department paid out of their own pocket. The engine before that, I believe it was Fourth Ward, I believe the hospital paid for that as well as a Chief vehicle." Lombardo asked what the Tax, Budget and Fee Committee will be considering.

## CITY OF DUBOIS/SANDY TOWNSHIP JOINT BOARD MEETING MINUTES (continued)

Dave Lombardo (continued)

Arbaugh replied, "Holistically, we're going to look at a budget then we'll determine a tax rate and structure based upon that and also water and sewer fees based upon that."

Lombardo voiced concern about the effect economic development could have. "You can bring in these industries, but the major effect, you need to have a strategic plan – where you want to go and then you need to develop that. You can bring in a new development and it comes in here and, all of a sudden, your infrastructure, your school system can't deal with that."

Assistant Fire Chief Leo Brooks – DuBois Fire Department

"I'll just reiterate what Jason said. It's been great working with them. I'm looking forward to it. I know I can speak for Third Ward. We've trained with the North Point Fire Company for the past several years. The new boxes Jason implemented. I think everything's going great. It's only up from here. I want to thank everyone for input on the ladder truck. Obviously, things are changing in the next couple of years, so I look forward to the new department." Gelfand asked if DuBois changed their fire boxes. Sandy Township is on all DuBois fire boxes for structure fires. Federici said they've been on several calls together and, in his opinion, everything is going well.

**Close Meeting to the Floor**

**Adjourn**

There being no further business to transact, the motion was made by Jackson and seconded by Beers that the DuBois/Sandy Township Joint Board adjourn. Roll call was as follows: Abbott, yea; Aughenbaugh, yea; Beers, yea; Dietz, yea; Gelfand, yea; Jackson, yea; Mollica, yea; Sullivan, yea; Reasinger, yea. Motion passed 9-0.

ATTEST:

Korbi Slocum

APPROVED:

